Saskatchewan Agriculture, Food and Rural Revitalization

ADF

AGRICULTURE DEVELOPMENT FUND

FINAL REPORT

20040360

SURVEY PRODUCER & INDUSTRY OPINION TOWARDS DEVELOPMENT OF WINTER CEREALS COMMISSION

Funded by: The Agriculture Development Fund

February 2006

Prepared by: Winter Cereals Canada

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Jan 9/06
JW

Final report to Agriculture Development Fund
Project # 200404360
Survey of Producer & Industry Opinion toward Development of a Winter Cereals Commission

Summary

The project objectives included the design, delivery, and reporting of a survey of primarily producers of all winter cereals, including winter wheat, winter triticale, and fall rye in Saskatchewan, in order to gauge their opinion towards the possible formation of a levy based check-off Commission. A portion of the survey would include the opinions of potential purchasers of these commodities, in order to determine their level of acceptance of a check-off levy.

Due to the later than anticipated acceptance of the project approval, the beginning survey work for producers was rushed into being just in time for the beginning of the first major opportunity to place the idea before producers at the Crop Production Show in January 2005, without any preceding time to promote the project. Similar survey opportunities were realized at three further agriculture trade shows in Saskatchewan, the latter of which, the Western Canadian Farm Progress Show in Regina in June afforded a redesigned promotion to encourage producers to complete the survey.

A very high degree of acceptance was realized from producers.

The project is in the final stages of completing and analyzing the survey of potential purchasers, but returns and results are slow in materializing.

The consultant has kept the department well informed of the progress and results through the interim reports and through meetings and correspondence with organizational development staff of the Food Safety and Regulation division.

An official plan for the Commission operation has been prepared, and is scheduled to be presented at the same time as an invited presentation is to be made to the Agri-Food council, slated for December 13, 2005 in Regina.

It is anticipated that Winter Cereals Canada will be successful in the establishment of a check-off levy Commission for all winter cereals.

Introduction

Since winter cereals are a minor commodity group among all cereals, but gaining acceptance as a desirable crop to place in cropping rotations, and since plant breeding and agronomic research efforts were eroding, this producer advocate group experienced dwindling support in order to operate in an educational and proactive environment. Federal research stations indicated over the years that they had less and less resources to denote to this group of crops, but might be able to attract more funds in a matching initiative situation.

Private funding of extension efforts were also on the decrease, thus the desire to explore the possibility of establishing a check-off levy Commission to acquire funds from producers to enable agronomic research, plant breeding, marketing information, and producer education. The facilitation of these developmental avenues seemed to only be possible through the acquisition of new funding to be matched by industry and government research resources.

Producers have to be in favor of such a system, and wish to take control of their development thrusts, to be able to encourage industry particularly to invest in the future of the commodities, and take a more serious interest in the cropping options and efficiencies offered by winter cereals. Winter Cereals Canada did not have the resources to permit the mounting and completion of a producer and industry survey, and thus applied for project assistance.

Methods

The initial plan was to employ a reputable agricultural research firm to design conduct and report on the opinions of producers and potential purchasers of winter cereals towards a the formation of a levy based check-off Commission. The consultant met with several firms to establish a working plan to accomplish the objectives , but after close consideration, were not able to employ any firm that might be able to do the job, because of less resources than were being requested by the firms. An alternate action was to simply utilize the background of the board of directors, staff and employ a single outside consultant to formulate the survey, and0 conduct the surveys through internal and networking activities.

Database material not being available from outside sources was also a major factor in not considering a specialist firm.

A design was formulated to be prepared and utilized in occasions such as agricultural trade show exposures, making full use of individual contact with producers. A second methodology was to enlist the use of our own newsletter mailing database and survey everyone who receives the newsletter. A third method was to offer a small incentive for producers to complete a survey form, and use that form as an entry for a draw for a prize. Firewall questions were included to ensure only valid producers would be considered. Town hall type producer meetings were rejected on the basis of anticipated low attendance compared to trade show activities.

Results

Two summary sheets are attached that show the compiled results of the separate survey methods outlined above. The first of these was included with the July 29, 2005 progress report filed earlier, and included survey results from 5 different venues, as indicated along the top of the page. It shows the high percentage of respondents as being in favor of the establishment of a Commission, and indicated the level of contribution they would prefer, along with the direction they felt they resources should be employed.

The board felt the numbers were rather small, and a further survey should attempt to gather more respondents from the Western Canada Farm Progress Show in Regina over the summer months. A supplemental advertising campaign was instituted to run in conjunction with the promotion of the show itself. A newly designed survey was produced, inserted into a major farm paper, and inserted as well into our summer newsletter for maximum extension. A short fishing trip was promoted as incentive for producers to complete the survey and either send or preferably bring it to our trade show booth at the show to encourage discussion on the Commission. A television spot program was also subscribed to in order to increase awareness.

The second sheet shows the very positive results from a more structured survey. From the combined total of surveys received from 3 days of the show and the mail-in forms, a very positive 90.1% of respondents endorsed support of a Commission, with over 2/3 of the actual winter cereal producers voicing their wish for a designated 50cents per tonne check-off. A surprising number, nearly a quarter suggested a figure of 41 per tonne as the correct amount. As far as the placement priorities of funds collected, the overall choice ranking showed marketing support was their first choice followed by higher yielding varieties, fertility research, ownership of new varieties and producer information. A portion of the general farming public that do not grow winter cereals voted in a very similar fashion with regard to the amount of check-off per tonne that should be levied..

Acknowledgements

Winter Cereals Canada their board and staff would like to thank the confidence placed in our organization by the department. The acknowledgements to the department were featured prominently on material associated with the survey forms, the trade show booth at various functions and verbally at every function we attended or were asked to present to over the period of the survey. As mentioned in the application, the project could not have been possible without the support of the department.

Appendices

Attached are copies of the 2 survey forms, data summary sheets, organization newsletters, press release.

Commission Formation Survey

Date	Detail	Revenue	Expense	Balance
Oct21-04	Planning Mtg, Trav expenses		1193.73	-1193.73
22-Nov	Survey form design Mtg Trav		232.9	-1426.63
21-Dec	Key-Line graph survey form photopr		471.96	-1898.59
21-Dec	Printing Form Allied Pr		1276.76	-3,175.35
Jan 8-05	ADF Partial Allocation Pay't	16,000		12,824.65
Jan 9-13	Survey at crop Prod'n show		1451.09	11,373.56
Feb 14-16	Survey at SSCA show		362.94	11,010.62
18-Apr	Redesign survey form Mtg		2662.1	8,348.52
11-May	W.Producer adsvert for WCFPShow		1924.93	6,423.59
11-Jun	W.Producer Print for insert		2930.41	3,493.18
11-Jun	W.producer print for show guide		1148.11	2,345.07
11-Jun	CTV miniSpt advert survey		551.05	1,794.02
8-Jul	Mtg with agriFood Council Advisory		718.37	1,075.65
18-Aug	Legal fee for WCC & Commission form		620.84	454.81
13-Dec	OspreyWings Incentive Survey entry		2000	-1,545.19
13-Dec	Meeting with AgriFood Council		1493.61	-3,038.80
(Jan)	Mtg Legislation drafting ^ Legal		Est(2500)	est -5338.80
(jan)	Final allotment Adf	Est 5600.00		

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Survey Detail	WCFPS15th	WCFPS16th	WCFPS17th	MailMay20-Jn7	MailJn7-17th	Mail Jn20	Mail Jn21-22	Mail Jn23	MailJn24-30	Mail Jly5-14	Rating
# surveys completed	59	49	40	3	32	9	18	9	18	9	246
# currently growing	32	34	31	2	21	7	11	4	11	9	162(65.8%)
#supporting Commission	30	31	27	2	21	6	10	2	8	9	146/162(90.1%)
# left e-mail Address	12	6	7	1	6	1	1	0	6	0	
# ranking where funds to go	24	26	26	2	20	6	9	3	13	9	114/146(78%)
Ranking Order:											
High yielding varieties	1	1	1	4	1	2	2	2	1	4	(2ND)
Fertility research	3	3	2	2	5	3	4	4	3	1	(3RD)
Marketing support	2	2	3	1	2	1	1	1	2	2	(1ST)
Producer information	5	5	5	5	3	4	5	3	4	3	(5TH)
New variety ownership	4	4	4	3	4	5	3		5	5	(4TH)
Current Producers											
would contrib 50c/tonne	16/24 (66%)	22/26 (85%)	21/26 (81%)		16/20 (80%)	3/6 (50%)	7/9 (78%)	2/3 (67%)	8/8 (100%)	5/9 (56%)	67.8
75c/tonne	4/24 (17%)	1/26 (4%)	3/26 (12%)		2/20 (10%)	1/6 (17%)	1/9 (11%)			3/9 (33%)	10.1
100c/tonne	4/24 (17%)	3/26 (11%)	2/26 (7%)	2 (100%)	2/20 (10%)	2/6 (33%)	1/9 (11%)	1/3 (33%)		1/9 (11%)	22.1
General Farming											
would contribute 50c/t	30/40 (75%)	31/39 (79%)	28/33 (85%)		24/28 (86%)	5/9 (56%)	13/17(76%)	6/7 (86%)	12/13 (92%)	5/9 (56%)	69.1
75c/t	7/40 (17.5%	1/39 (2.5%	3/33 (9%)		2/28 (7%)	1/9 (11%)	3/17 (17%)			3/9 (33%)	9.7
100c/t	3/40 (7.5%)	7/39 (17.5%	2/33 (6%)	2 (100%)	2/28 (7%)	3/9 (33%)	1/17 (6%)	1/7 (14%)	1/13 (8%)	1/9 (11%)	19.9

WINTER CEREALS

TAKE CONTROL TODAY

A Commission will generate funds that you, the producer, would be able to direct at research, marketing and crop development. A winter Cereals Commission will enable you to leverage support from government programs that require matching funds from the private sector. We would be able to direct development and licensing of higher yielding varieties with better disease resistance, enabling you to capture more value from what you produce.

HOW IT WOULD WORK

A 50 cent per tonne collection would be made from every delivery of a winter cereal. This amounts to only 1.4 cents per bushel, but represents a huge step forward in obtaining value for farmers.

Any money collected would be eligible for a full refund upon application from the grower. A board of farmer directors would ensure the funds are directed to where they are needed.

CAPTURING VALUE

Your voluntary contribution would provide for the following:

VARIETY DEVELOPMENT

The breeders of winter wheat, fall rye and winter triticale are essential to the future of these crops .Support must be continued to ensure that higher yields, improved quality, better disease resistance and winter survival are enhanced

MARKET DEVELOPMENT

Improvements in marketing at the Canadian Wheat Board, with the ethanol industry and through feed mills must be encouraged, together with development of new uses for these crops, will ensure solid sales for producers year after year.

AGRONOMIC RESEARCH

Fertility, seeding improvements, weed control issues are among the challenges that will require continued research.

PRODUCER AWARENEESS

Production seminars, diagnostic schools, technical days, newsletters, and web site information are important for producers. Funding for these activities requires industry partners and your contributions.

PLEASE SUPPORT THE VISION - VOTE FOR A COMMISSION.

TAKE CONTROL HERE'S HOW

1. Do you want to take control of the future for winter cereals?
   Yes ☐ No ☐
2. Would you support a winter cereals Commission?
   Yes ☐ No ☐
3. Where would you like the money to go? (Rank)
   A. Higher yielding varieties _____
   B. Fertility Research _____
   C. Marketing Support _____
   D. Producer Information _____
   E. New variety ownership _____
   F. Other _____
4. Would you voluntarily contribute -
   A. 0.50 cents per tonne _____
   B. 0.75 cents per tonne _____
   C 1.00 dollar per tonne _____
   D. Other _____
5. Do you grow winter cereals
   Yes ☐ No ☐

Your e-mail address (optional)

_____

Winter Cereals Canada Inc.

P.O. Box 473

Weyburn Sk.

S4H 2K3

FOR THE RECORD

Since 1995, Winter Cereals Canada Inc has provided agronomic extension and plot demonstration work, as well as support to winter cereal breeders. They have regularly consulted and directed marketing interests towards democratic control and reducing risk for producers. Strategic efforts in developing varieties with market specific uses have resulted in more stability for producers as suppliers of a premium product to the industry.

Renewed interest in dealing with fusarium head blight and midge has propelled winter wheat into the forefront of solutions available, and acreage planted has dramatically increased as a result. Vision and logic dictate the formation of a ...nd to enhance the future of all winter cereals. Help us continue to make this happen for you and your neighbors. Support a Commission and take control today.

Funding Provided By:
Winter Cereals Canada
Box 473, Weyburn SK S4H 2K3
306-848-1252

Canada

Agriculture and Agri-Food Canada

Saskatchewan Agriculture, Food and Rural Revitalization

TAKE

CONTROL